



Date: December 20, 2016

To: Thomas J. Bonfield, City Manager
Through: W. Bowman Ferguson, Deputy City Manager
From: Marvin G. Williams, Director of Public Works
Subject: Ravenstone and Stone Hill Estates Paving 2017, ST-278 Contract Award

Executive Summary

On December 8, 2016 bids were opened for Contract ST-278 Ravenstone and Stone Hill Estates Paving 2017 project. The contract involves the repair and asphalt resurfacing of streets at various locations within Ravenstone and Stone Hill Estates subdivisions. Micro-surfacing will also be performed at various locations in and near these subdivisions (see Attachment A for list of streets and Attachment B for location maps). The lowest responsive bid was submitted by FSC II, LLC, dba Fred Smith Company of Raleigh, NC.

Recommendation

The Administration recommends that the City Council authorize the City Manager to execute a contract for ST-278, Ravenstone and Stone Hill Estates Paving 2017 project with FSC II, LLC, dba Fred Smith Company, Raleigh, NC in the amount of \$2,156,617.50; establish a contingency fund in the amount of \$323,492.63; and authorize the City Manager to execute change orders to the contract such that the total contract cost does not exceed \$2,480,110.13.

That the City Council adopt an ordinance amending the Water and Wastewater Capital Improvements Project Ordinance, Fiscal Year 2016-17, as amended, the same being Ordinance #14946, for the purpose of transferring \$149,077.00 to the Failed Development Infrastructure project; and

That the City Council adopt an ordinance amending the General Capital Improvements Project Ordinance, Fiscal Year 2016-17, as amended, the same being Ordinance #14945, for the purpose of adding \$396,694.00 to the Failed Development Infrastructure project.

Background

The developers of the Stone Hill Estates and Ravenstone subdivisions failed to complete the streets and stormwater infrastructure. On June 15, 2015 the City Council approved the department's recommendation for the City to complete the work in both subdivisions. The project was first unsuccessfully bid in August 2015 when only one bid was received, which was not enough to open bids under established bidding laws and practices. After the initial bid the damaged storm pipes were discovered and that scope of work was added to the project. The project was then bid in March 2016, but was again unsuccessful due to the number of bids received. In response to contractor feedback, the length of the contract was extended from 120 days to 150 days to complete and the project was bid again in April 2016. However, the bid received in

May 2016 was rejected as the pricing for many of the line items in this bid were significantly higher than the engineer's estimate and exceeded the budget allocated for the project. The scope of this project was further modified to remove full depth reclamation (FDR) and stormwater repair work.

The last bid opening for ST-278, Ravenstone and Stone Hill Estates Paving 2017 was held on December 8, 2016 and was successful. The pricing received was comparative to the Engineers estimate and competitive with the other bids received. This project involves the repair and asphalt resurfacing of streets at various locations within Ravenstone and Stone Hill Estates subdivisions. Micro-surfacing will also be performed at various locations in and near these subdivisions (see Attachment A for list of streets and Attachment B for location maps).

Issues and Analysis

The following is a summary of bids received:

FSC II LLC, dba Fred Smith Company	\$2,156,617.50 *(Low Bid)
Barnhill Contracting Company	\$2,201,183.40
S. T. Wooten Corporation	\$2,396,896.00

Alternatives

The Council can choose to not proceed with this project and redirect the funding to another project. The Council can award the project since the bids received are competitive.

Financial Impact

Funds for this project are budgeted for in the following accounts:

CIP Failed Development Funds: 3601L010-731000-LE455	\$2,083,416.63
Water Extensions & Improvements: 4100P002-P0A00	\$24,150.00
Sewer Extensions & Improvements: 4100P002-P2600	\$49,050.87
Sewer Extensions & Improvements (Contingency): 4100P002-731900-P2600	\$75,875.75
GF Operating (Contingency): 0L030000-725000	\$247,616.88
Total	\$2,480,110.13

UBE Summary

The Equal Opportunity/Equity Assurance Department reviewed the proposal submitted by FSC II, LLC dba Fred Smith Company and have determined that they are in compliance with the Equal Business Opportunity Program Ordinance. The goals for this project are MUBE 11% and WUBE 7%. It was determined that FSC II, LLC dba Fred Smith Company was in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.

UBE REQUIREMENTS

FSC II, LLC dba Fred Smith Company will subcontract to the following certified firms:

Firm	ID	City/State	Amount	% of Contract
Royals Contracting	WUBE	Raleigh, NC	\$632,000.00	29.3%
Fulford and Jones Asphalt, Inc.	WUBE	Wilson, NC	\$89,000.00	4.1%
Austin Trucking	MUBE	Clayton, NC	\$40,000.00	1.8%

The MUBE goal was not met but FSC II, LLC dba Fred Smith Company demonstrated a good faith effort in trying to obtain it. They submitted 1.8% MUBE participation and 31.1% WUBE participation.

WORKFORCE STATISTICS

Workforce statistics for FSC II, LLC dba Fred Smith Company are as follows:

Total Workforce	801	
Total Females	59	(7%)
Total Males	742	(93%)
Black Males	209	(26%)
White Males	345	(43%)
Other Males	188	(23%)
Black Females	26	(3%)
White Females	31	(4%)
Other Females	2	(1%)